

## **The complaint**

Mr N complains Creation Consumer Finance Ltd (“Creation”) didn’t do enough to explain how interest would be charged on two Buy-Now-Pay-Later (“BNPL”) purchases. He also says Creation didn’t deal fairly with problems he had accessing his online account.

## **What happened**

On 7 April 2024, Mr N opened a Creation Flexpay account. This gave him a credit facility allowing him to make certain retail purchases and repay them over agreed periods without paying interest, provided he cleared the balances within the relevant BNPL periods.

On the same day, Mr N used the account to buy two items (“Item 1” and “Item 2”). Item 1 was bought on a six-month BNPL basis, and Item 2 on a 12-month BNPL basis.

That meant no interest would be payable on Item 1 if, by 7 October 2024, its balance was repaid. If it wasn’t, interest would be charged on any unpaid balance from the date of purchase. The same applied to Item 2, except its interest-free period ended on 7 April 2025.

As he didn’t repay the balances within those interest-free periods, Creation charged interest.

Mr N says he wasn’t told that, if he missed the repayment deadlines, interest would be charged from the purchase date. He says that if he’d known this, he would have cleared the balances in time. He also says technical problems meant he couldn’t access Creation’s online portal for a lengthy period.

To put things right, Mr N asked Creation to remove the interest and pay compensation for the distress and inconvenience it caused.

In its final response dated 25 September 2025, Creation didn’t agree it had failed to explain how interest worked on BNPL purchases. But it accepted it hadn’t arranged a promised call-back in November 2024 in relation to Mr N’s log-in problems. It deducted £150 from Mr N’s outstanding balance to compensate him for the error.

Our investigator didn’t think Creation needed to do anything more. In support, he pointed out that Creation had sent Mr N several emails reminding him about the upcoming repayment deadlines for each item, and explaining how interest would be charged on unpaid balances.

Mr N didn’t agree. He said he never received those emails and doesn’t think Creation has shown they were sent. So the complaint has come to me for a decision.

## **What I’ve decided – and why**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

I’ve summarised the complaint in my own words, and I won’t be responding to every argument. No discourtesy is intended by this. Our rules allow me to do this given the

informal nature of our service. If I've not mentioned something, it isn't because I've ignored it. Rather, I'm satisfied I only need to focus on what I consider key to reach a fair outcome.

Mr N says he was told in store that the purchases would be interest-free for six and 12 months respectively. But he says he wasn't told that, if he didn't clear the balances in time, interest on any remaining balance would be charged from the purchase date.

I don't doubt Mr N has given his account honestly. But I haven't seen persuasive evidence showing exactly what was said in store. In those circumstances, I think the more reliable evidence about what Mr N knew, or ought reasonably to have known, is the written information he was given before entering into the agreement.

Under the "important information" section of the pre-contract information, it says:

"If you do not repay the full amount during the Buy Now Pay Later period interest will be charged at the rate shown in your credit agreement from the date of the Buy Now pay Later transaction on any amount not paid and you will have to make the monthly repayments."

And at the end of the document there's a ticked confirmation box saying that the customer had been provided with the important information and the pre-contract credit information. So while I cannot be certain how closely Mr N read the documents at the time, I'm satisfied he had a fair opportunity to review how interest would be charged before taking the finance.

I appreciate Mr N's point that the wording could have been shorter and clearer. But, taken as a whole, I think it was sufficiently clear that if a BNPL balance wasn't cleared by the end of the interest-free period, interest on the remaining balance would be charged from the purchase date.

So, based on the agreement documents alone, I don't think Creation failed to give Mr N enough information about how interest on these BNPL purchases worked.

Even if I put that point to one side, I would still expect Creation to remind Mr N, before the end of the interest-free periods, what would happen if he didn't clear the balances. And on balance, I think it did that here. I've explained why below.

Mr N says he received promotional emails from Creation, but not the BNPL reminder emails. I cannot be certain whether he actually received the reminders, but the key issue I need to decide is whether Creation likely sent them.

Ideally, there'd be copies of these emails definitively showing Creation sent the reminders. However, simply because Creation cannot produce those emails now doesn't necessarily mean they were never sent. I say that because the BNPL reminder emails are system-generated template reminders which, Creation says, it doesn't keep copies of. Instead, Creation logs an entry on its system every time such emails are sent.

Creation has provided timestamped system records showing reminder emails were logged against Mr N's account several times between June 2024 and August 2024 in relation to Item 1, and again between November 2024 and February 2025 in relation to Item 2. The email address used is the same one Mr N gave to our service. Creation has also provided the template wording for these emails, which says any balance left would be charged interest from the date of purchase at the rate shown in the finance agreement.

Taking that evidence together, I think it's more likely than not that Creation sent those reminder emails in good time before each interest-free period ended.

So, whether I look at the issue from the pre-contract information or from the later reminders, I'm satisfied Creation did enough to explain how interest would be charged if Mr N didn't repay the BNPL balances in time. I therefore don't think it would be fair to ask Creation to remove or refund the interest it later charged.

I've also thought about whether the online access problems make any difference to that conclusion, particularly in relation to the later BNPL deadline. But I haven't seen enough to persuade me that the online access issue itself was the reason Mr N missed the repayment deadline — particularly because Mr N had already been given sufficient information about how his BNPL products worked elsewhere. In the circumstances, I don't think the online access problems give me a fair basis to require Creation to remove the interest.

That said, I agree Creation should have arranged a call-back to resolve Mr N's online access problems after it promised to do so on 25 November 2024. I accept that would have been frustrating, and that the access issues then remained unresolved for a significant period.

But I also haven't seen much evidence from Mr N to show he pursued this issue, until he raised a complaint in September 2025, after which Creation resolved the access issues relatively quickly. So I don't think it would be fair to hold Creation responsible for the whole period Mr N didn't have access to the portal.

Even so, I think Creation was responsible for some avoidable distress and inconvenience here. The failed call-back would have contributed to some of the delay in resolving the online access issue, and would have caused Mr N more than the level of frustration and annoyance he should reasonably expect from day-to-day life.

Creation has already deducted £150 from Mr N's outstanding balance to recognise that. In the circumstances, taking account of the evidence and the guidance on our website, I think that was fair and reasonable compensation for the impact its error had on Mr N.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 13 April 2026.

Alex Watts  
**Ombudsman**